Non-product Specific Aggregate Measurement of support on Electricity to Agriculture

*406. SHRI BHUPINDER SINGH MANN : Will the Minister of POWER be pleased to state :

(c) and (d) The MODVAT credit Aggregate Measurement of Support (A.M.S.) on electricity to agriculture ; and

(b) whether it is calculated along the lines at which product specific A.M.S. has been calculated considering average rate at which electricity is supplied to agriculture in agro-products exporting countries ?

THE MINISTER OF POWER (SHRI N. K. P. SALVE) : (a) and (b) The Aggregate Measurement of Support is the sum of product specific support (like support price) and non-product specific support (i.e. input subsidies). The subsidy on account of electricity to agriculture has been calculated to be Rs. 15,814 million (as per annual average for the base period of 1986—89). The subsidy has been calculated on the basis of the differential between the operating cost of rate of generation and the rate charged to the agricultural sector.

Closure of yarn Texturisation Small Scale Industry

*407. SHRI G. G. SWELL :

SHRI CHIMANBHAI MEHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that yarn texturisation small scale industry at Surat, Ahmedabad and various other centres remained closed for several days due to new tax levied on yarn texturisation :

(b) whether it is also a fact that texturisation is a continuing process on yarn and this is not a new product ;

(c) whether it is possible to have benefit of MODVAT for texturisation :

(d) if so, the details thereof ; and

(e) whether it is a fact that factories producing yarn and then texturising the same under one roof in the brand name of the same company or any other company would be taxed only once or twice ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.

(b) Non-textured synthetic filament yarns and textured synthetic filament yarns are two different commodities falling under Heading No. 54.02 and 54.03 respectively of the Schedule to the Central Excise Tariff Act and chargeable to excise duty separately.

(c) and (d) The MODVAT credit scheme is applicable to textured filament yarns in a restricted manner. The duty paid on various inputs (other than non-textured yarns) is available as MODVAT credit to the manufacturers of textured yarns. The duty paid at the POY stage (Non-textured yarn stage) is available as credit under another scheme stipulated under Rule 56A of the Central Excise Rules, 1944. Further, under the capital goods MODVAT scheme, units manufacturing textured yarns can claim the credit of duty paid on the machinery used in the manufacture of such yarns, provided the duty on such machinery has been paid on or after 1-3-1994. Thus, the advantages of MODVAT Scheme are in effect applicable to texturisers.

(e) If non-textured and textured yarns are produced by a manufacturer in the same factory, duty is payable at the textured stage only.

Schmes for Powerloom Workers

*408. SHRI GHUFRAN AZAM :

SHRI KRISHNA KUMAR BIRLA :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have urged the States to implement scheme for the welfare of powerloom workers and also to provide insurance cover ;

(b) if so, the reaction of the State Government in this regard; and

(c) the details of assistance Union Government propose to give to State Governments for the purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Yes, Sir. The